

SENATE FILE 2106  
BY SODDERS

**A BILL FOR**

1 An Act relating to revocation of the registration of a motor  
2 vehicle driven by a person whose driver's license is  
3 suspended, revoked, barred, or canceled.  
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. NEW SECTION. 321.218B Driving while license is  
2 suspended, revoked, barred, or canceled — revocation of vehicle  
3 registration.

4 1. If a peace officer stops a motor vehicle driven by a  
5 person whose driver's license is suspended, revoked, barred,  
6 or canceled and the motor vehicle is registered to the driver,  
7 the peace officer shall immediately remove the motor vehicle's  
8 registration plates and registration receipt and impound the  
9 motor vehicle. The peace officer shall deliver the plates for  
10 destruction, as appropriate; forward the registration receipt,  
11 if available, to the department; and notify the department of  
12 the vehicle's impoundment.

13 2. Upon verifying that the registered owner of the motor  
14 vehicle is a person whose Iowa driver's license is suspended,  
15 revoked, barred, or canceled, the department shall revoke the  
16 registration of the motor vehicle.

17 3. Upon payment of a fifteen dollar administrative fee to  
18 the county treasurer of the owner's county of residence and  
19 providing proof of financial liability coverage as required  
20 under section 321.20B to the county treasurer, the treasurer  
21 shall issue new registration plates and registration to the  
22 owner of the motor vehicle.

23 4. A motor vehicle which is impounded may be claimed on  
24 behalf of the owner by a person with a valid driver's license  
25 if the owner provides proof of registration of the vehicle  
26 pursuant to subsection 3 and pays the costs of towing and  
27 storage for the motor vehicle. If the motor vehicle is not  
28 claimed within thirty days after impoundment, the motor vehicle  
29 may be treated as an abandoned vehicle pursuant to section  
30 321.89.

31 5. The holder of a security interest in a motor vehicle  
32 which is impounded pursuant to this section shall be notified  
33 of the impoundment within seventy-two hours of the impoundment  
34 of the motor vehicle and shall have the right to claim the  
35 motor vehicle upon the payment of all fees. However, if the

1 value of the vehicle is less than the security interest, all  
2 fees shall be divided equally between the lienholder and the  
3 political subdivision impounding the vehicle.

4 EXPLANATION

5 This bill addresses certain motor vehicle owners who operate  
6 a motor vehicle while their driver's license is suspended,  
7 revoked, barred, or canceled.

8 The bill requires a peace officer who stops a motor vehicle  
9 driven by a person who is the owner of the vehicle and whose  
10 driver's license is suspended, revoked, canceled, or barred  
11 to remove the motor vehicle's registration plates and receipt  
12 and impound the vehicle. The peace officer is to deliver the  
13 plates for destruction and forward the registration receipt  
14 to the department of transportation along with notice of the  
15 impoundment of the vehicle. After verifying that the owner of  
16 the vehicle is a person whose driver's license is sanctioned,  
17 the department shall revoke the registration of the motor  
18 vehicle.

19 The owner of the motor vehicle may obtain a new registration  
20 and registration plates for the vehicle by showing proof of  
21 financial liability coverage to the county treasurer of the  
22 owner's county of residence and paying a \$15 administrative fee  
23 to the county treasurer. Once a new registration is obtained,  
24 the impounded motor vehicle may be reclaimed by a person with  
25 a valid driver's license on behalf of the owner. Proof of the  
26 new registration and payment of the costs of towing and storage  
27 are required in order to claim the vehicle. The owner has 30  
28 days in which to claim the impounded vehicle before it may be  
29 treated as an abandoned vehicle.

30 The bill specifies that a person with a security interest  
31 in the vehicle is to be notified of the impoundment within  
32 72 hours of the impoundment. The lienholder has the right  
33 to claim the motor vehicle upon payment of all fees. If the  
34 value of the vehicle is less than the security interest, the  
35 fees are to be split between the lienholder and the political

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1 subdivision impounding the vehicle.